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THE HON. SRI B. GOPALA REDDI :—" I do not know what exactly the hon. Member wants. Perhaps he means that abandoned things, scrap paper and condemned articles like furniture sold by Government should not be purchased by the Government servants. Is that the rule that he wants to be inserted? Suppose a furniture is broken and it is auctioned. Is it the intention of the hon. Member that no Government servant should purchase it? "

JANAB ABDUL LATIF FAROOKHI :—" The hon. Member Mr. Bhima Rao said that in court auctions, the agent and people connected with them should not make any offer. Therefore, it was suggested also that according to Government Servants' Conduct Rules, Government servants should not take part in these transactions, and the Hon. Minister said that there was no such rule. I wanted to suggest that if there was no such rule already, the Government might be pleased to insert such a rule in order to save Government servants from such unnecessary criticisms as are being levelled against them in this House."

THE HON. SRI B. GOPALA REDDI :—" Even otherwise, we will insert, if necessary. Government servants are always exposed to unnecessary criticisms. It is not as though they can save themselves from unnecessary criticisms by the insertion of a rule. If we find it necessary, we will certainly insert it."

SRI S. B. ADITYAN :—" Are the Government aware that there was really no sale for Rs. 4,500 by the Assistant Secretary and that it was all a fabrication? "

THE HON. SRI B. GOPALA REDDI :—" I do not know what happened after we disposed it off for Rs. 500 to the Assistant Secretary."

UNSTARRED QUESTIONS.

Decisions taken on the recommendations of the Retrenchment and Re-organization Committee.

6. *Q.*—SRI R. SURYANARAYANA RAO : Will the Hon. the Minister for Finance be pleased—

(*a*) to place on the table of the House a statement giving particulars of the decisions taken on the various recommendations of the Retrenchment and Re-organization Committee since the last statement was placed with reference to question No. 293 answered on 22nd April 1949; and

(*b*) to state whether there are other proposals besides those already taken to effect retrenchment in the expenditure of Government, and if so, what they are?

A.—(*a*) The statement last placed on the table of the House has been brought up to date with reference to the orders since issued by the Government and copies of the revised statement [a] are now placed on the table of the House.

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[a] Printed as Appendix IV on pages 848–915 infra.

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(b) Yes; the Government of India have decided that the block grant for Post-war Development Schemes excluding Intensive Cultivation Schemes (Grow More Food Schemes) for 1949–50 should be reduced from Rs. 3½ to Rs. 2½ crores and that no grant would be given for 1950–51.

They have also decided not to grant any loan to this Province in 1949–50 and have intimated that loans in 1950–51 would be granted to a limited extent for productive capital works in progress only.

The above decisions of the Government of India have very materially diminished the resources available to this Government for meeting the expenditure both under 'Revenue' and 'Capital' heads of account and made it imperative that the expenditure under both the heads should be drastically reduced. The following instructions have therefore been issued by this Government to all concerned to secure savings immediately and in 1950–51:—

Post-war Development Schemes.—All Heads of Departments should regard the amounts available for Post-war Reconstruction Schemes under their control as having been reduced to 5/7th of the amounts provided in the Budget, and every endeavour should be made to ensure that the actual expenditure does not exceed the amount so reduced. New schemes or alterations to the existing schemes which involve large capital expenditure or large additions to recurring expenditure should as far as possible be avoided. If there are any sanctioned development schemes which have not so far been given effect to for any reason, the Departments of the Secretariat concerned should re-examine whether the implementation of the schemes could be postponed; and pending issue of orders, Heads of Departments should not incur any expenditure on those schemes during the current year.

As the entire expenditure on Post-war Development Schemes in 1950–51 will have to be met from Provincial funds all Heads of Departments should re-examine each development scheme carefully and see whether it could not be abandoned or postponed at some appropriate stage or whether the scheme could not be modified to reduce its cost.

Other schemes.—The resources available for financing schemes of capital expenditure other than Post-war Reconstruction schemes being limited, Heads of Departments should slow down the execution of such schemes and keep the actual expenditure during the current year as low as possible.

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As a rule, no new schemes should be proposed in future for introduction in the course of the year 1949-50 except for very special reasons.

In view of the present difficult financial position new schemes for next year should be confined, as far as possible, only to Intensive Cultivation Schemes (Grow More Food Schemes) incorporated in the Two-year plan.

In regard to other schemes, only those which will involve very little recurring expenditure and which are considered to be really and immediately essential for the proper running of any department should be considered.

Expenditure on travelling incurred by Hon. Ministers since April 1949.

7. *Q.*—SRI R. SURYANARAYANA RAO: Will the Hon. the Minister for Finance be pleased to place on the table of the House a statement of expenditure on travelling incurred by the Hon. Ministers since April 1949 with particulars of districts visited and the journeys performed by rail or car or air?

A.—A statement[a] is laid on the table of the House.

[*Note.*—**An asterisk (*) at the commencement of a speech indicates revision by the Member.**]

II.—RECEPTION TO PRESIDENT, MADRAS LEGISLATIVE COUNCIL, BY THE BIHAR LEGISLATURE.

MR. PRESIDENT:—" I must inform the House of what happened in Bihar when I went there. When I was in Bihar in my capacity as President of this Hon. House, the President of the Bihar Legislative Council as well as the Speaker of the Legislative Assembly were very kind and very courteous to me not only personally but to my surprise while I was sitting in the President's Gallery a motion was made for according a reception to me as the President of the Madras Legislative Council. Several Members spoke on it and the motion was adopted that the President of the Madras Legislative Council be welcomed to both the Chambers of the Legislature. Hon. Members should realize that this honour was not accorded to me personally but because I happened to be the President of this Hon. House. An account of that has been published in the local papers there and copies of it have been circulated to the hon. Members. I considered it a great honour done to this House and so I thought it necessary that I should inform the House of what took place there. Because I went there as a representative of this House, I thought it was right that this House should inform the Legislature of Bihar of its appreciation of the honour they gave to their President and the Leader of the House may if he likes make a motion to that effect. I hope the House will approve of it."

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[a] Printed as **Appendix V** on pages 916–923 *infra*.